

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

In re: Lernout and Hauspie Securities Litigation	.	Civil Action No. 00-11589-PBS
Gary Filler v. Jo Lernout Stonington Partners v.	.	Civil Action No. 02-10302-PBS
Carl Dammekens	.	Civil Action No. 02-10303-PBS
Paul Bamberg v. KPMG	.	Civil Action No. 02-10304-PBS
Janet Baker v. KPMG	.	Civil Action No. 02-10305-PBS
	.	
• • • • •	.	

TRANSCRIPT OF MOTIONS HEARING
BEFORE THE HONORABLE ROBERT B. COLLINGS
UNITED STATES MAGISTRATE JUDGE
HELD ON OCTOBER 19, 2004

APPEARANCES:

On behalf of KPMG LLP: Shu Wyn, Esquire, Davis, Polk & Wardwell, 450 Lexington Avenue, New York, NY 10017, 212-450-4309.

On behalf of KPMG LLP: Kristen McGern, Esquire, Seyfarth Shaw, World Trade Center East, Two Seaport Lane, Ste. 300, Boston, MA 02210-2028, (617) 946-4800.

On behalf of KPMG Belgium: George Salter, Esquire, Michael Stone, Esquire, Hogan and Hartson, 875 Third Avenue, New York, NY 10022, (212) 918-3000.

On behalf of SG Cowen: Gerald Novack, Esquire, Kirkpatrick & Lockhart.

On behalf of Gaston Bastiaens: William Moorman, Esquire, Craig & Macauley, PC, Federal Reserve Plaza, 600 Atlantic Avenue, Boston, MA 02210, 617-367-9500.

On behalf of FLV Fund: Robert Kaler, Esquire, Gadsby & Hannah, 225 Franklin Street, Boston, MA 02110, (617) 345-7077.

On behalf of certain outside defendants: John Missing, Esquire, Debevoise & Plimpton, 555 13th Street, N.W., Washington, DC 2004, (202) 383-8000.

Court Reporter:

Proceedings recorded by digital sound recording, transcript produced by transcription service.

MARYANN V. YOUNG
Certified Court Transcriber
240 Chestnut Street
Wrentham, Massachusetts 02093
(508) 384-2003

1 people who have testified the most before the Belgian
2 authorities and the SEC are Mr. McLamb and Mr. Boyer, both of
3 whom have spent 10 days each in testimony. So we request that
4 your Honor limit the depositions of U.S. witnesses to these two
5 witnesses, McLamb and Mr. Boyer. KPMG U.S. was in this case
6 because it's alleged to have assisted KPMG Belgium who was the
7 actual auditors for Lernout & Hauspie. KPMG U.S. did not sign
8 any audit opinion. We're alleged to have assisted KPMG Belgium
9 with respect to the audit.

10 THE COURT: What about the document discovery and
11 admissions, what is your view on those?

12 MS. McGERN: Our position is that we are not parties
13 in this case. I understand that your Honor says that we're in
14 middle position. We don't think that requests to admit should
15 be refined to, there was like 125--

16 THE COURT: How can you use, how can you use your
17 requests to admit in litigation, you know, in litigation with
18 other parties? That doesn't - I'm just trying, it's the first
19 time I've thought of it, but I--

20 MS. McGERN: Bastiaens' counsel have served requests
21 to admit on us and after we have settled.

22 THE COURT: But there's no claim against you.

23 MS. McGERN: Exactly.

24 THE COURT: So I mean I don't know, I mean I'm going
25 to ask him--